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Form C-103

Submit 1 Copy To Appropriate District State of New Mexico Office Energy, Minerals and Natural ResonmOCP ARTES! October 13, 2009 District I 1625 N French Dr., Hobbs, NM 88240 30-015-37434 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE X 1000 Rio Brazos Rd, Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr , Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A **Bandit State** DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number 1. Type of Well: Oil Well Gas Well Other 8 2. Name of Operator 9. OGRID Number 18917 Read & Stevens, Inc. 3. Address of Operator 10. Pool name or Wildcat P. O. Box 1518, Roswell, NM 88202 Happy Valley; Del 4. Well Location Unit Letter F : 1650 feet from the West line and 1650 feet from the North line Eddy Section 10 Township 23S Range 26E **NMPM** County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,311' 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK ALTERING CASING □ TEMPORARILY ABANDON ... **CHANGE-PLANS** COMMENCE DRILLING OPNS.□ P AND A PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB DOWNHOLE-COMMINGLE \Box Perf, Acidize, Frac, tbg, rods OTHER: 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Perf 3 spf from 2,723' to 43'. Total of 54 .42 holes. Swab well. Acidize w/1,250 gal 7 1/2% NeFe HCI. Frac w/320 bbls linear gel pad followed by 40,000# 16/30 Brady sand. RIH w/2 7/8" tbg and rods. Left pumping to tank battery on 3/12/2010. Spud Date: 02/08/10 Rig Release Date: 02/18/10 I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE Petroleum Engineer DATE 03/17/10 **SIGNATURE** Type or print name David Luna E-mail address: dluna@read-stevens.com'. PHONE: 575-622-3770 For State Use Only TITLE Fie Conditions of Approval (if any): Submi + songix Results of casing